

1997-98 SESSION  
COMMITTEE HEARING  
RECORDS

Committee Name:

Joint Committee on  
Finance (JC-Fi)

Sample:

Record of Comm. Proceedings ... RCP

- 05hrAC-EdR\_RCP\_pt01a
- 05hrAC-EdR\_RCP\_pt01b
- 05hrAC-EdR\_RCP\_pt02

➤ Appointments ... Appt

➤ \*\*

➤ Clearinghouse Rules ... CRule

➤ \*\*

➤ Committee Hearings ... CH

➤ \*\*

➤ Committee Reports ... CR

➤ \*\*

➤ Executive Sessions ... ES

➤ \*\*

➤ Hearing Records ... HR

➤ \*\*

➤ Miscellaneous ... Misc

➤ 97hrJC-Fi\_Misc\_pt72\_LFB

➤ Record of Comm. Proceedings ... RCP

➤ \*\*

# Historical Society

(LFB Budget Summary Document: Page 336)

## LFB Summary Items for Which Issue Papers Have Been Prepared

<u>Item #</u>	<u>Title</u>
1	Transfers of Staff and Funding Under Standard Budget Adjustments (Paper #490)
2	Northern Great Lakes Center (Paper #491)
7,8	Unspecified Funding Reduction and Staff and Funding Reduction (Paper #492)
9	Program and Segregated Revenue Reestimates (Paper #493)
1,6&11	Minor Policy and Technical Changes (Paper #494)

To: Joint Committee on Finance

From: Bob Lang, Director  
Legislative Fiscal Bureau

## ISSUE

### **Transfers of Staff and Funding Under Standard Budget Adjustments (Historical Society)**

[LFB Summary: Page 336, #1]

## CURRENT LAW

**Historic Sites.** Annual GPR base funding and positions for Pendarvis and First Capitol, and Old Wade House are: (a) \$166,300 and 3.0 positions for Pendarvis (Iowa County) and First Capitol (Lafayette County); and (b) \$198,600 and 3.5 positions for Old Wade House (Sheboygan County). In addition, the Historical Society is appropriated program revenue, collected from admission fees and other sales at six state historic sites, for the operations of the historic sites. The six historic sites that fees are collected at include Madeline Island, Old World Wisconsin, Pendarvis, Stonefield Village, Villa Louis and Old Wade House. The Society also has separate GPR appropriations for the general program operations of the Division of Historic Sites, fuel and utilities, and debt service.

**Administrative Services.** Annual base funding for activities related to local history, school services and graphics is comprised of the following: (a) \$291,800 GPR and 5.0 GPR positions; and (b) \$47,300 PR and 1.0 PR position.

## GOVERNOR

**Historic Sites.** Transfer \$13,200 GPR and 0.25 GPR position annually from Pendarvis and First Capitol to the Old Wade House historic site as part of the Governor's recommendations related to standard budget adjustments.

**Administrative Services.** Transfer the following amounts from the executive and administrative services program to the archives, research and library services program: (a) \$291,800 GPR and 5.0 GPR positions annually; and (b) \$47,300 PR and 1.0 PR position annually. Provide \$12,600 PR annually for the archives, research and library services program. These modifications have been included as part of the Governor's recommendations related to standard budget adjustments.

## DISCUSSION POINTS

1. Under current law, two separate appropriations exist for the GPR base funding and positions provided for the operations of Pendarvis and First Capitol, and the Old Wade House historic sites. Four separate appropriations exist for the GPR and PR funding and positions that would be affected by the Governor's recommendations related to the transfer of administrative services functions. Similar to all state agencies, the Historical Society does not have the statutory authority to transfer GPR resources between these separate appropriations for historic sites or to transfer GPR and PR funding and positions between separate programs without first receiving legislative approval.

2. The Associate Director of the Historical Society has indicated that the reallocation of GPR resources between the historic sites would complete a transfer of Society personnel that has already occurred. The second reallocation involving GPR and PR resources occurred on March 17, 1996, on a temporary basis. It would have been more appropriate for the Society to have submitted a request to JFC under s. 13.10 for approval of these reallocations, even though they are characterized as temporary at this time. This would have provided a measure of legislative oversight for the use of these positions and funding for other than the specific purpose for which they were provided by the Legislature.

3. The Society expects to submit a request for a permanent transfer of these functions and the creation of a new division to the Governor and DOA in May, 1997. The new division would include the following current functions; state historian, editorial, school services, local history and graphics. One of the reasons for this transfer of activities is to allow the Society's current administrator of the Division of Development and State Relations to spend more time on fund-raising activities. The proposed transfers of GPR and PR resources and the increase in PR expenditure authority would make permanent this temporary decision to transfer responsibilities among programs.

4. The standard budget adjustment for minor program transfers within the same appropriation should not have been used to transfer GPR resources between the historic sites or to transfer GPR and PR resources between two separate programs. This approach generally precludes review of these transfers, since standard budget adjustments are intended as a set of funding changes that are routine in nature and without policy implications. The budget bill should treat the transfer of resources as separate decision items.

5. The substance of these funding and position changes appear reasonable, but the procedures used in the current biennium and in the budget bill limit the level of legislative oversight and review that would ordinarily apply.

### MODIFICATION TO BILL

Modify the Governor's recommendations so that they would be properly shown separately from standard budget adjustments.

Prepared by: Bob Soldner

MO# Modification

2 JENSEN	<input checked="" type="checkbox"/>	N	A
OURADA	<input checked="" type="checkbox"/>	N	A
HARSDORF	<input checked="" type="checkbox"/>	N	A
ALBERS	<input checked="" type="checkbox"/>	N	A
GARD	<input checked="" type="checkbox"/>	N	A
KAUFERT	<input checked="" type="checkbox"/>	N	A
LINTON	<input checked="" type="checkbox"/>	N	A
COGGS	<input checked="" type="checkbox"/>	N	A
/ BURKE	<input checked="" type="checkbox"/>	N	A
DECKER	<input checked="" type="checkbox"/>	N	A
GEORGE	<input checked="" type="checkbox"/>	N	<input checked="" type="checkbox"/>
JAUCH	<input checked="" type="checkbox"/>	N	A
WINEKE	<input checked="" type="checkbox"/>	N	A
SHIBILSKI	<input checked="" type="checkbox"/>	N	A
COWLES	<input checked="" type="checkbox"/>	N	A
PANZER	<input checked="" type="checkbox"/>	N	A
AYE <u>15</u>	NO <u>0</u>	ABS <u>1</u>	

To: Joint Committee on Finance

From: Bob Lang, Director  
Legislative Fiscal Bureau

## ISSUE

### **Northern Great Lakes Center (Historical Society)**

[LFB Summary: Page 336, #2]

## CURRENT LAW

The Historical Society does not have base funding allocated for the Northern Great Lakes Center, located in Bayfield County. In 1991 Act 39 (1991-93 biennial budget) \$325,000 SEG, from the water resources account of the conservation fund, was provided for state planning funds for the Center. The Governor's veto message of Act 39 instructed the DOA Secretary to ensure that no state funds would be used for the operation of the Center.

The Northern Great Lakes Regional Visitor Center was enumerated in 1995 Act 60 at \$7.0 million (\$3.5 million in general fund supported bonding and \$3.5 million in federal funds). Act 60 also required the Building Commission to include specific recommendations and priorities for an additional \$1.2 million (\$600,000 in general fund supported bonding and \$600,000 in federal funds) for the Center in its report for the 1997-99 building program. The Department of Administration has indicated that the intent is to cost-share the construction of the project on a 50%-50% basis with the U.S. Forest Service. The facility is scheduled to be opened in December, 1997.

## GOVERNOR

Provide \$34,100 GPR and 0.5 GPR position in 1997-98 and \$59,800 GPR and 1.0 GPR position in 1998-99 as staff for Historical Society related functions at the Center. DOA staff indicate that the Historical Society would be responsible for determining how to utilize these funds.

## DISCUSSION POINTS

1. On January 18, 1996, the Building Commission voted 6-2 to approve the release of the \$3.5 million in general fund supported bonding for the design and bid of the Center. DOA, as part of their request to have the funds released, indicated that the Center would be shared by federal agencies, such as the U.S. Forest Service and National Park Service, and state agencies, such as the State Historical Society and the Department of Natural Resources (DNR). DOA indicated that space would also be provided for private sector tourism interests, represented by the Apostle Islands Country Visitors Bureau.

2. In January, 1996, DNR indicated that as part of DNR's reorganization plan about six staff and related base funding, with a potential for as many as 15 staff, could be relocated to the Center. At this time, DNR will not be relocating staff at the Center because the facility was not designed and constructed to accommodate DNR staff. Currently, the Historical Society is the only state agency that has plans to locate staff at the Center. As indicated, the Society does not have base funding allocated for the Center.

3. Currently, the following organizations are expected to have a presence at the Center: (a) U.S. Forest Service; (b) National Park Service; (c) the State Historical Society; and (d) the Apostle Islands Country Visitors Bureau.

4. At the Committee's agency briefing on March 19, 1997, the Director of the Historical Society stated that the Governor's recommendations are not adequate to accomplish the purposes intended. In addition, the Director indicated that the Society's share of joint operating costs would increase, because DNR would not have a presence at the Center.

5. As part of the agency's 1997-99 budget request to the Governor, the Historical Society requested \$68,100 GPR and 1.0 GPR position in 1997-98 and \$165,500 GPR and 3.0 GPR positions in 1998-99 for the Society's operating costs of the Center. Based on the Director's comments to the Committee related to increased operating costs and an opening date of December, 1997, the revised agency request would be \$68,100 GPR and 1.0 GPR position in 1997-98 and \$176,400 GPR and 3.0 GPR positions in 1998-99 for the Society's portion of the building to be opened for 60 hours a week. The Society has indicated that it would establish a regional history center in the new facility which would become part of the Society's area research network. The classified positions would be a director, archivist and program assistant.

6. On March 18, 1997, the Society submitted a letter to the Committee which included two alternatives to the Society's original budget request and stated that either of these alternatives would result in a lower level of service at the Center. The first alternative would provide \$78,500 GPR in 1997-98 and \$149,200 GPR in 1998-99 and 2.0 GPR positions annually for 40 hours of service instead of 60 hours, a 33% reduction. In addition, this alternative would provide less history related programming and reduced outreach and technical assistance. The second alternative would provide \$65,500 GPR and 0.5 GPR position in 1997-98 and \$123,100

GPR and 1.0 GPR position in 1998-99 for 20 hours of service instead of 60 hours, a 67% reduction. This second alternative would result in minimal public programming at the Center and few services outside of the Center.

7. The U.S. Forest Service has been the lead agency for the development and operation of the Center. The federal government, through the U.S. Forest Service, will hold title to the Center. Since, the federal government was the primary agent responsible for the final design and construction of the Center, it could be argued that any increased operating costs that have resulted from fewer participating agencies should be paid for with federal funds. It could also be argued that, if the Society is provided additional GPR funding, no funds should be provided for building operating costs not directly attributable to the Historical Society.

8. Although no statutory language exists that requires the Legislature to provide operational funding to the Historical Society, the Governor and the Legislature have supported the development and construction of the Northern Great Lakes Center. A portion of the Center has been specifically designed and constructed for archival use and storage.

## ALTERNATIVES TO BILL

1. Approve the Governor's recommendation to provide \$34,100 GPR and 0.5 GPR position in 1997-98 and \$59,800 GPR and 1.0 GPR position in 1998-99 as staff for Historical Society related functions at the Center.

2. Modify the Governor's recommendation by providing \$34,000 GPR and 0.5 GPR position in 1997-98 and \$116,600 GPR and 2.0 GPR positions in 1998-99. These amounts reflect the Society's initial request for staff, but have been modified to reflect increased operating costs and an opening date of December, 1997.

<u>Alternative 2</u>	<u>GPR</u>
1997-99 FUNDING (Change to Bill)	\$150,600
1998-99 POSITIONS (Change to Bill)	2.00

3. Modify the Governor's recommendation by providing \$10,200 GPR and 0.5 GPR position in 1997-98 and \$76,000 GPR and 2.0 GPR positions in 1998-99. These amounts reflect the Society's initial request for staff, but have been modified to reflect an opening date of December, 1997, and funding for the operating costs directly attributable to the Historical Society.

<u>Alternative 3</u>	<u>GPR</u>
1997-99 FUNDING (Change to Bill)	\$86,200
1998-99 POSITIONS (Change to Bill)	2.00

4. Maintain current law.

<u>Alternative 4</u>	<u>GPR</u>
1997-99 FUNDING (Change to Bill)	- \$93,900
1998-99 POSITIONS (Change to Bill)	- 1.00

Prepared by: Bob Soldner

MO# \_\_\_\_\_

JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A

AYE \_\_\_\_\_ NO \_\_\_\_\_ ABS \_\_\_\_\_

To: Joint Committee on Finance

From: Bob Lang, Director  
Legislative Fiscal Bureau

## ISSUE

### Northern Great Lakes Center (Historical Society)

[LFB Summary: Page 336, #2]

## CURRENT LAW

The Historical Society does not have base funding allocated for the Northern Great Lakes Center, located in Bayfield County. In 1991 Act 39 (1991-93 biennial budget) \$325,000 SEG, from the water resources account of the conservation fund, was provided for state planning funds for the Center. The Governor's veto message of Act 39 instructed the DOA Secretary to ensure that no state funds would be used for the operation of the Center.

The Northern Great Lakes Regional Visitor Center was enumerated in 1995 Act 60 at \$7.0 million (\$3.5 million in general fund supported bonding and \$3.5 million in federal funds). Act 60 also required the Building Commission to include specific recommendations and priorities for an additional \$1.2 million (\$600,000 in general fund supported bonding and \$600,000 in federal funds) for the Center in its report for the 1997-99 building program. The Department of Administration has indicated that the intent is to cost-share the construction of the project on a 50%-50% basis with the U.S. Forest Service. The facility is scheduled to be opened in December, 1997.

## GOVERNOR

Provide \$34,100 GPR and 0.5 GPR position in 1997-98 and \$59,800 GPR and 1.0 GPR position in 1998-99 as staff for Historical Society related functions at the Center. DOA staff indicate that the Historical Society would be responsible for determining how to utilize these funds.

## DISCUSSION POINTS

1. On January 18, 1996, the Building Commission voted 6-2 to approve the release of the \$3.5 million in general fund supported bonding for the design and bid of the Center. DOA, as part of their request to have the funds released, indicated that the Center would be shared by federal agencies, such as the U.S. Forest Service and National Park Service, and state agencies, such as the State Historical Society and the Department of Natural Resources (DNR). DOA indicated that space would also be provided for private sector tourism interests, represented by the Apostle Islands Country Visitors Bureau.

2. In January, 1996, DNR indicated that as part of DNR's reorganization plan about six staff and related base funding, with a potential for as many as 15 staff, could be relocated to the Center. At this time, DNR will not be relocating staff at the Center because the facility was not designed and constructed to accommodate DNR staff. Currently, the Historical Society is the only state agency that has plans to locate staff at the Center. As indicated, the Society does not have base funding allocated for the Center.

3. Currently, the following organizations are expected to have a presence at the Center: (a) U.S. Forest Service; (b) National Park Service; (c) the State Historical Society; and (d) the Apostle Islands Country Visitors Bureau.

4. At the Committee's agency briefing on March 19, 1997, the Director of the Historical Society stated that the Governor's recommendations are not adequate to accomplish the purposes intended. In addition, the Director indicated that the Society's share of joint operating costs would increase, because DNR would not have a presence at the Center.

5. As part of the agency's 1997-99 budget request to the Governor, the Historical Society requested \$68,100 GPR and 1.0 GPR position in 1997-98 and \$165,500 GPR and 3.0 GPR positions in 1998-99 for the Society's operating costs of the Center. Based on the Director's comments to the Committee related to increased operating costs and an opening date of December, 1997, the revised agency request would be \$68,100 GPR and 1.0 GPR position in 1997-98 and \$176,400 GPR and 3.0 GPR positions in 1998-99 for the Society's portion of the building to be opened for 60 hours a week. The Society has indicated that it would establish a regional history center in the new facility which would become part of the Society's area research network. The classified positions would be a director, archivist and program assistant.

6. On March 18, 1997, the Society submitted a letter to the Committee which included two alternatives to the Society's original budget request and stated that either of these alternatives would result in a lower level of service at the Center. The first alternative would provide \$78,500 GPR in 1997-98 and \$149,200 GPR in 1998-99 and 2.0 GPR positions annually for 40 hours of service instead of 60 hours, a 33% reduction. In addition, this alternative would provide less history related programming and reduced outreach and technical assistance. The second alternative would provide \$65,500 GPR and 0.5 GPR position in 1997-98 and \$123,100

GPR and 1.0 GPR position in 1998-99 for 20 hours of service instead of 60 hours, a 67% reduction. This second alternative would result in minimal public programming at the Center and few services outside of the Center.

7. The U.S. Forest Service has been the lead agency for the development and operation of the Center. The federal government, through the U.S. Forest Service, will hold title to the Center. Since, the federal government was the primary agent responsible for the final design and construction of the Center, it could be argued that any increased operating costs that have resulted from fewer participating agencies should be paid for with federal funds. It could also be argued that, if the Society is provided additional GPR funding, no funds should be provided for building operating costs not directly attributable to the Historical Society.

8. Although no statutory language exists that requires the Legislature to provide operational funding to the Historical Society, the Governor and the Legislature have supported the development and construction of the Northern Great Lakes Center. A portion of the Center has been specifically designed and constructed for archival use and storage.

#### **ALTERNATIVES TO BILL**

1. Approve the Governor's recommendation to provide \$34,100 GPR and 0.5 GPR position in 1997-98 and \$59,800 GPR and 1.0 GPR position in 1998-99 as staff for Historical Society related functions at the Center.

2. Modify the Governor's recommendation by providing \$34,000 GPR and 0.5 GPR position in 1997-98 and \$116,600 GPR and 2.0 GPR positions in 1998-99. These amounts reflect the Society's initial request for staff, but have been modified to reflect increased operating costs and an opening date of December, 1997.

<u>Alternative 2</u>	<u>GPR</u>
<b>1997-99 FUNDING</b> (Change to Bill)	\$150,600
<b>1998-99 POSITIONS</b> (Change to Bill)	2.00

3. Modify the Governor's recommendation by providing \$10,200 GPR and 0.5 GPR position in 1997-98 and \$76,000 GPR and 2.0 GPR positions in 1998-99. These amounts reflect the Society's initial request for staff, but have been modified to reflect an opening date of December, 1997, and funding for the operating costs directly attributable to the Historical Society.

<u>Alternative 3</u>	<u>GPR</u>
1997-99 FUNDING (Change to Bill)	\$86,200
1998-99 POSITIONS (Change to Bill)	2.00

4. Maintain current law.

<u>Alternative 4</u>	<u>GPR</u>
1997-99 FUNDING (Change to Bill)	- \$93,900
1998-99 POSITIONS (Change to Bill)	- 1.00

Prepared by: Bob Soldner

MO# Alt #3

JENSEN	X	N	A
OURADA	Y	X	A
HARSDORF	X	N	A
ALBERS	X	N	A
GARD	Y	X	A
KAUFERT	X	N	A
2 LINTON	X	N	A
COGGS	X	N	A
I BURKE	X	N	A
DECKER	X	N	A
GEORGE	X	N	A
JAUCH	X	N	A
WINEKE	X	N	A
SHIBILSKI	X	N	A
COWLES	X	N	A
PANZER	X	N	A
AYE	<u>14</u>	NO	<u>2</u> ABS

Representative Linton

# HISTORICAL SOCIETY

## Northern Great Lakes Center

### Motion:

Move to transfer \$16,000 SEG and 1.0 SEG position in 1997-98 and \$32,000 SEG and 1.0 SEG position in 1998-99 from the Department of Natural Resources to the Historical Society for interpretative programming at the Northern Great Lakes Center. Create an annual SEG appropriation under the Society funded from the forestry account of the conservation fund.

### Note:

The position would be transferred effective January 1, 1998.

MO# 1031

JENSEN	Y	<del>N</del>	A
OURADA	Y	<del>N</del>	A
HARSDORF	Y	<del>N</del>	A
ALBERS	Y	<del>N</del>	A
GARD	Y	<del>N</del>	A
KAUFERT	<del>Y</del>	N	A
LINTON	<del>Y</del>	N	A
COGGS	<del>Y</del>	N	A
BURKE	<del>Y</del>	N	A
DECKER	<del>Y</del>	N	A
GEORGE	<del>Y</del>	N	A
JAUCH	<del>Y</del>	N	A
WINEKE	<del>Y</del>	N	A
SHIBILSKI	<del>Y</del>	N	A
COWLES	Y	<del>N</del>	A
PANZER	Y	<del>N</del>	A
AYE	<u>9</u>	NO	<u>7</u> ABS

To: Joint Committee on Finance

From: Bob Lang, Director  
Legislative Fiscal Bureau

## ISSUE

### Unspecified Funding Reduction and Staff and Funding Reduction (Historical Society)

[LFB Summary: Page 337, #7 and #8]

## CURRENT LAW

The Historical Society has an annual adjusted base of \$15,851,100 and 177.0 positions, which is comprised of the following: (a) \$10,449,500 GPR and 145.35 GPR positions, which is 65.9% of base funding; (b) \$4,002,700 PR and 22.55 PR positions, which is 25.2% of base funding; (c) \$943,400 FED and 5.85 FED positions, which is 6.0% of base funding; and (d) \$455,500 SEG and 3.25 SEG positions, which is 2.9% of base funding.

## GOVERNOR

Reduce funding for general program operations relating to executive and administrative services by \$101,200 GPR annually. The bill would require the Historical Society to submit a report to the Governor and the Joint Committee on Finance by October 1, 1997, concerning its preference for allocating these reductions among its sum certain GPR appropriations.

Delete \$87,200 GPR and 1.5 GPR positions annually, including 0.5 position for a half-time bibliographic instructor and 1.0 position in the conservation lab. The executive budget documents show this funding being deleted entirely from supplies and services, rather than from salaries and fringe benefits as well. In addition, the funding would be deleted from executive and administrative services, instead of archives, research and library services.

When combined, the Society's base GPR appropriations (less debt service) would be reduced by \$188,400 annually, which reflects a 2% annual reduction.

## DISCUSSION POINTS

1. On March 11, 1997, the DOA Secretary submitted a letter to the Joint Committee on Finance (JFC) requesting that the unspecified funding reduction be increased by \$34,000 GPR annually. This modification would result in a total unspecified cut of \$135,200 GPR annually. In addition, DOA requested that the staff and funding reduction included in the bill be decreased by the same amount, so that the Society's budget would continue to be reduced by \$188,400 GPR annually. DOA also requested the restoration of a 0.65 GPR classified position in each year to reflect the intent to delete a 0.85 position, rather than the 1.5 positions included in the Bill.

2. As part of the 1997-99 biennial budget process, DOA required agencies to submit a 3.5% annual GPR reduction plan. On October 25, 1996, the Board of Curators approved several specific program eliminations or reductions which totaled \$329,600 GPR and 5.85 GPR positions annually. Some of the programs that were recommended for elimination included the Black Historical Society grant, the Burial Sites program and the Underwater Archeology program. The Board of Curators did not include any general program administration reductions as part of the GPR reduction plan. Under the bill, the Committee would be able to consider recommendations from the Society before deciding on the allocation of these funding reductions.

3. As part of a separate, but related funding reduction, the Governor intended to recommend the reduction of \$53,200 GPR and 0.85 GPR position annually, including \$39,000 and 0.5 position for a library bibliographic instruction position and \$14,200 and 0.35 position for an archives paper conservation lab position.

4. On April 24, on a similar provision relating to the Arts Board, the Committee voted to require that the Board's report on the proposed allocation of its funding reduction be subject to the approval of JFC under a 14-day passive review process. To be consistent, the bill could be modified to include a 14-day passive review by the Committee of the unspecified funding reduction report that the bill would require the Society to submit on October 1, 1997. The modification would permit the recommended GPR reductions to be implemented if JFC approves the report, or does not schedule a meeting to review the report within 14 working days after receipt of the report.

## ALTERNATIVES TO BILL

1. Approve the Governor's recommendations.
2. Modify the Governor's recommendations as requested by DOA by restoring \$34,000 GPR and 0.65 GPR position annually and deleting an offsetting amount of GPR funding by increasing the unspecified funding reductions listed in the bill by \$34,000 GPR. Specify that the Historical Society could identify a proposed allocation of the unspecified funding reductions subject to JFC approval under a 14-day passive review process. Adjust the specified reductions

to accurately reflect the Governor's recommendations, which would involve deleting salary and fringe benefit funding and restoring supplies and services funding to properly reflect the deletion of these positions.

<u>Alternative 2</u>	<u>GPR</u>
1997-99 FUNDING (Change to Bill)	\$0
1998-99 POSITIONS (Change to Bill)	0.65

Prepared by: Bob Soldner

MO# Alt #2

JENSEN	<input checked="" type="checkbox"/>	N	A
OURADA	<input checked="" type="checkbox"/>	N	A
HARSDORF	<input checked="" type="checkbox"/>	N	A
ALBERS	<input checked="" type="checkbox"/>	N	A
GARD	<input checked="" type="checkbox"/>	N	A
KAUFERT	<input checked="" type="checkbox"/>	N	A
LINTON	<input checked="" type="checkbox"/>	N	A
COGGS	<input checked="" type="checkbox"/>	N	A

BURKE	<input checked="" type="checkbox"/>	N	A
DECKER	<input checked="" type="checkbox"/>	N	A
GEORGE	<input checked="" type="checkbox"/>	N	A
JAUCH	<input checked="" type="checkbox"/>	N	A
WINEKE	<input checked="" type="checkbox"/>	N	A
SHIBILSKI	<input checked="" type="checkbox"/>	N	A
COWLES	<input checked="" type="checkbox"/>	N	A
PANZER	<input checked="" type="checkbox"/>	N	A

AYE 15 NO 0 ABS 1

# HISTORICAL SOCIETY

## Restore Staff and Funding Reduction

### Motion:

Move to provide \$87,200 GPR and 1.5 GPR positions annually to restore the Governor's recommendation to delete these resources.

### Note:

SB 77 would delete \$87,200 GPR and 1.5 GPR positions annually as part of the 2% reduction of the Society's base GPR budget.

[Change to Bill: \$174,400 GPR and 1.5 GPR positions]

MO# 1508

JENSEN	Y	<del>N</del>	A
OURADA	Y	<del>N</del>	A
HARSDORF	Y	<del>N</del>	A
ALBERS	Y	<del>N</del>	A
GARD	Y	<del>N</del>	A
KAUFERT	Y	<del>N</del>	A
LINTON	<del>Y</del>	N	A
COGGS	<del>Y</del>	N	A

BURKE	<del>Y</del>	N	A
DECKER	<del>Y</del>	N	A
GEORGE	Y	N	<del>A</del>
JAUCH	<del>Y</del>	N	A
WINEKE	<del>Y</del>	N	A
SHIBILSKI	<del>Y</del>	N	A
COWLES	Y	<del>N</del>	A
PANZER	Y	<del>N</del>	A

AYE 9 NO 8 ABS 1

To: Joint Committee on Finance

From: Bob Lang, Director  
Legislative Fiscal Bureau

## ISSUE

### **Program and Segregated Revenue Reestimates (Historical Society)**

[LFB Summary: Page 338, #9]

## CURRENT LAW

The Historical Society is appropriated program revenue, collected from admission fees and other sales at six state historic sites, for the operations of the historic sites. The six historic sites for which fees are collected include Madeline Island, Pendarvis, Stonefield Village, Villa Louis, Old Wade House and Old World Wisconsin. The Society also has site-specific GPR appropriations, a separate GPR appropriation for fuel and utilities at the historic sites and a separate GPR appropriation for the general program operations of the Division of Historic Sites. In addition, a separate GPR appropriation exists for principal repayment and interest costs related to the historic sites.

## GOVERNOR

Provide \$338,000 PR and \$49,400 SEG annually to reflect increased revenue from admissions and sales at historic sites (\$215,000 PR) and the Museum (\$123,000 PR), and revenue from the historical society trust fund (\$49,400 SEG). In addition, reestimate funding from gifts and grants to the Museum by \$7,600 PR annually.

The Society has \$1,493,900 PR annually in adjusted base expenditure authority for the operation and maintenance of the historic sites. SB 77 would provide a total of \$1,629,100 PR annually, which is an increase of \$135,200 in each year, or 9.1%, over the adjusted PR base.

## DISCUSSION POINTS

1. The following table lists the historic sites GPR, PR and SEG expenditures during 1995-96. These funding sources represent the major sources of funding related to the operations of the historic sites. Madeline Island is supported by SEG revenues through a restricted endowment fund. The First Capitol site opened to the public in June, 1996.

### 1995-96 Operations Expenditures by Fund Source Historic Sites Program

<u>Expenditure Item</u>	<u>GPR</u>	<u>PR</u>	<u>SEG</u>	<u>Total</u>
Historic Sites:				
Madeline Island	\$6,400	\$80,600	\$113,600	\$200,600
Pendarvis and First Capitol	141,300	88,400	0	229,700
Stonefield Village	161,000	74,000	0	235,000
Villa Louis	127,300	147,700	0	275,000
Old Wade House	187,300	190,000	0	377,300
Old World Wisconsin	587,300	993,500	0	1,580,800
Fuel and Utilities	68,000	0	0	68,000
General Program Operations	<u>321,800</u>	<u>0</u>	<u>0</u>	<u>321,800</u>
Total	\$1,600,400	\$1,574,200	\$113,600	\$3,288,200
Percent of Total	48.7%	47.9%	3.4%	100.0%

2. In addition to the amounts in the table, the Society expended \$676,200 GPR in 1995-96 for principal repayment and interest costs related to the historic sites. Therefore, a total of \$3,964,400 in 1995-96 was expended for the operation, maintenance and debt service related to the historic sites, comprised of the following: (a) \$2,276,600 GPR, 57.4% of total; (b) \$1,574,200 PR, 39.7% of total; and (c) \$113,600 SEG, 2.9% of total.

3. On October 25, 1996, the Board of Curators approved increases to the historic sites admission fees. This fee package is intended to support several programmatic increases related to the operations of the sites, which include: (a) LTE wages due to increased competition for employees and increases in the minimum wage; (b) training costs for retention of lead workers; and (c) materials and services.

4. Based on several discussions with program staff, the Society currently requests an increase in PR expenditure authority of \$412,200 in 1997-98 and \$434,300 in 1998-99 for the operation and maintenance of the historic sites. This would result in a total of \$2,041,300 PR in 1997-98 and \$2,063,400 PR in 1998-99 being provided for the historic sites, or an increase of approximately 26% over the SB 77 recommended PR levels.

5. It is estimated that the Society will expend approximately \$1,730,000 PR in 1996-97 related to the historic sites. This amount is \$236,100, or 15.8%, above the 1996-97 adjusted base of \$1,493,900 PR for the historic sites. The Historical Society will need to receive approval for these additional expenditures under s. 16.515 of the statutes.

6. If the Committee wanted to provide an increase to the historic sites program operating budget and reduce the program's reliance on GPR funding, the Committee could provide additional PR expenditure authority with a modest, partially offsetting reduction in the GPR funding. Under this alternative, the Committee could provide \$227,900 in 1997-98 and \$410,900 in 1998-99, comprised of the following: (a) \$377,900 PR in 1997-98 and \$560,900 PR in 1998-99 for the operation and maintenance of the historic sites; and (b) -\$150,000 GPR annually to be reduced evenly from supplies and services to the general program operations and Old World Wisconsin. Based on projected revenues from admission fees, there should be sufficient monies available to support this level of expenditure. This alternative would provide 5% annual increases in the amount of funding for the historic sites program. The following table shows this alternative level of programmatic support, by fund source, and the total percentage increase over the prior year.

**Estimated 1997-99 Operating Budget  
Historic Sites Program**

<u>Fund Source</u>	<u>Estimated</u>		<u>Alternative 1997-99 Budget</u>			
	<u>1996-97</u>	<u>% of Total</u>	<u>1997-98</u>	<u>1998-99</u>	<u>Biennium</u>	<u>% of Total</u>
GPR						
Historic Sites	\$1,247,700		\$1,207,500	\$1,207,500	\$2,415,000	
Fuel & Utilities	69,100		93,500	93,500	187,000	
General Operations	<u>328,200</u>		<u>242,400</u>	<u>242,400</u>	<u>484,800</u>	
Subtotal -- GPR	\$1,645,000	47.2%	\$1,543,400	\$1,543,400	\$3,086,800	41.1%
PR	\$1,730,000	49.6%	\$2,007,000	\$2,190,000	\$4,197,000	55.9%
SEG	<u>112,000</u>	<u>3.2%</u>	<u>112,000</u>	<u>112,000</u>	<u>224,000</u>	<u>3.0%</u>
Total	\$3,487,000	100.0%	\$3,662,400	\$3,845,400	\$7,507,800	100.0%
Increase Over Prior Year:						
Amount	\$198,800		\$175,400	\$183,000	\$358,400	
Percent	6.0%		5.0%	5.0%		

7. Under the alternative to increase PR funding, the partially offsetting reduction in GPR would result in a shift in the overall sources of funding to the Society. As noted in the table, GPR would represent 47.2% of the estimated operating budget in 1996-97, which would decline to 41.1% in the 1997-99 biennium under the alternative. One could argue that the

additional PR funding should be provided to the Society to allow them to expend projected fee revenues, without reducing the level of GPR support.

## ALTERNATIVES TO BILL

1. Approve the Governor's recommendation.

2. Modify the Governor's recommendations by providing \$412,200 in 1997-98 and \$434,300 in 1998-99 for the operation and maintenance of the historic sites. This alternative would provide \$2,041,300 in 1997-98 and \$2,063,400 in 1998-99 for the historic sites, or an increase of approximately 26% over the SB 77 recommended program revenue levels.

<u>Alternative 2</u>	<u>PR</u>
1997-99 FUNDING (Change to Bill)	\$846,500

3. Modify the Governor's recommendations, by providing \$227,900 in 1997-98 and \$410,900 in 1998-99, comprised of the following: (a) \$377,900 PR in 1997-98 and \$560,900 PR in 1998-99 for the operation and maintenance of the historic sites; and (b) -\$150,000 GPR annually to be reduced evenly from supplies and services to the general program operations and Old World Wisconsin. This alternative would provide \$2,007,000 PR in 1997-98 and \$2,190,000 PR in 1998-99 for the historic sites.

<u>Alternative 3</u>	<u>GPR</u>	<u>PR</u>	<u>TOTAL</u>
1997-99 FUNDING (Change to Bill)	- \$300,000	\$938,800	\$638,800

Prepared by: Bob Soldner

MO# 443 493

JENSEN	<input checked="" type="checkbox"/>	N	A
OURADA	<input checked="" type="checkbox"/>	N	A
HARSDORF	<input checked="" type="checkbox"/>	N	A
ALBERS	<input checked="" type="checkbox"/>	N	A
GARD	<input checked="" type="checkbox"/>	N	A
KAUFERT	<input checked="" type="checkbox"/>	N	A
LINTON	Y	<input checked="" type="checkbox"/>	A
COGGS	Y	<input checked="" type="checkbox"/>	A

BURKE	Y	<input checked="" type="checkbox"/>	A
DECKER	Y	<input checked="" type="checkbox"/>	A
GEORGE	Y	N	<input checked="" type="checkbox"/>
JAUCH	Y	<input checked="" type="checkbox"/>	A
WINEKE	Y	<input checked="" type="checkbox"/>	A
SHIBILSKI	Y	<input checked="" type="checkbox"/>	A
COWLES	<input checked="" type="checkbox"/>	N	A
PANZER	<input checked="" type="checkbox"/>	N	A

AYE 8 NO 7 ABS 1

To: Joint Committee on Finance  
From: Bob Lang, Director  
Legislative Fiscal Bureau

**ISSUE****Minor Policy and Technical Changes (Historical Society)****A. STANDARD BUDGET ADJUSTMENTS**

[LFB Summary: Page 336, #1]

**Governor**

Delete \$75,600 GPR and 2.0 GPR positions in 1998-99 for the removal of noncontinuing items associated with the pilot electronic records program.

**Modification**

Delete an additional \$5,700 GPR in 1998-99 to remove the remaining funds available for the pilot electronic records program.

**Explanation:** The pilot electronic records program was created in 1993 Act 257 with a sunset date of June 30, 1998. Under current law, the appropriation will be repealed on July 1, 1998, which is the beginning of the 1998-99 state fiscal year.

<u>Modification</u>	<u>GPR</u>
1997-99 FUNDING (Change to Bill)	- \$5,700

## B. STANDARD BUDGET ADJUSTMENTS

[LFB Summary: Page 336, #1]

### Governor

Delete \$73,500 GPR in 1998-99 for the removal of noncontinuing items associated with a four-year archives appraisal project.

### Modification

Provide \$73,500 GPR in 1998-99 to restore the funds for the appraisal project.

**Explanation:** The 1995-97 budget created the archives appraisal project. As part of this initiative, 4.0 GPR four-year project positions were created from January 1, 1996, through December 31, 1999. Historical Society staff did not properly account for these project positions and listed the termination date as December 31, 1998. Based on this error, the Society requested the removal of \$73,500 GPR in 1998-99 as a standard budget adjustment and DOA included this request as part of the bill. This modification would restore the funds as provided by the Legislature in 1995 Act 27.

<u>Modification</u>	<u>GPR</u>
1997-99 FUNDING (Change to Bill)	\$73,500

## C. STANDARD BUDGET ADJUSTMENTS

[LFB Summary: Page 336, #1]

### Governor

Adjust the executive and administrative services program's base budget as follows: (a) -\$200 GPR and -1.0 GPR position annually for removal of noncontinuing items; and (b) -\$7,200 GPR and 1.25 GPR positions annually for full funding of continuing salaries and fringe benefits.

### Modification

Adjust the Governor's recommendation related to the executive and administrative services program, in each year, as follows: (a) -\$18,900 GPR and -0.25 GPR position; (b) \$18,900 PR and 0.25 PR position; and (c) convert 1.0 GPR classified position to unclassified.

**Explanation:** Historical Society staff indicate that the modifications under (a) and (b) were inadvertently omitted from the agency budget submission. When combined with the

Governor's recommendations, these changes would adjust base funding and positions within the executive and administrative services program as recommended by the agency. The position conversion would align the budget documents position totals with the statutes and with current practice at the Society.

<u>Modification</u>	<u>GPR</u>	<u>PR</u>	<u>TOTAL</u>
1997-99 FUNDING (Change to Bill)	- \$37,800	\$37,800	\$0
1998-99 POSITIONS (Change to Bill)	- 0.25	0.25	0.00

#### D. UTILITIES REESTIMATE

[LFB Summary: Page 337, #6]

##### Governor

Reestimate the cost of fuel and utilities by -\$17,600 GPR in 1997-98 and -\$12,600 GPR in 1998-99.

##### Modification

Adjust the Governor's recommendation by \$33,300 GPR in 1997-98 and \$28,300 GPR in 1998-99. As a result, the Society's utilities budget would be reestimated by \$15,700 GPR annually.

**Explanation:** The amounts in the bill do not properly take into account new storage space and other improvements that are being completed in the 1995-97 biennium at several historic sites that will increase fuel and utilities costs. The reestimates are based on projections of actual 1996-97 fuel and utilities costs.

<u>Modification</u>	<u>GPR</u>
1997-99 FUNDING (Change to Bill)	\$61,600

## E. INTERNAL SERVICES CHARGES

LFB Summary: Page 338, #11]

### Governor

Provide \$27,500 PR annually to properly account for revenues and expenditures between programs. Currently, the Society reflects these intra-agency charges as refunds of expenditures.

### Modification

Provide \$161,100 PR-S annually to reestimate the level of other agency and intra-agency charges. Include intra-agency charges as an allowable expenditure under the administrative PR-S continuing appropriation. In addition, adjust the Governor's recommended expenditure line authority to reflect the Society's reestimates.

**Explanation:** Under current law, only expenditures related to other state agencies are allowed under the Historical Society's PR-S appropriation. This modification would allow both intra-agency and other agency related expenditures. The expenditure line authority adjustments would align base amounts with current and estimated expenditures during the 1997-99 biennium.

<u>Modification</u>	<u>PR</u>
1997-99 FUNDING (Change to Bill)	\$322,200

Prepared by: Bob Soldner

MO# A-E  
*modifications*

JENSEN	X	N	A
OURADA	X	N	A
HARSDORF	X	N	A
ALBERS	X	N	A
GARD	X	N	A
KAUFERT	X	N	A
LINTON	X	N	A
COGGS	X	N	A
BURKE	X	N	A
DECKER	X	N	A
GEORGE	Y	N	A
JAUCH	X	N	A
WINEKE	X	N	A
SHIBILSKI	X	N	A
COWLES	X	N	A
PANZER	X	N	A
AYE	<u>15</u>	NO	<u>0</u>
		ABS	<u>1</u>

HISTORICAL SOCIETY

Black Historical Society Grant

Motion:

Move to provide \$28,900 GPR annually as a grant to the Black Historical Society.

Note:

Under current law, the State Historical Society provides \$31,100 GPR annually to the Black Historical Society. This motion would provide a total of \$60,000 GPR annually as a grant.

[Change to Bill: \$57,800 GPR]

MO# 535

JENSEN	<input checked="" type="checkbox"/>	N	A
OURADA	<input checked="" type="checkbox"/>	N	A
HARSDORF	<input checked="" type="checkbox"/>	N	A
ALBERS	<input checked="" type="checkbox"/>	N	A
GARD	<input checked="" type="checkbox"/>	N	A
KAUFERT	<input checked="" type="checkbox"/>	N	A
LINTON	<input checked="" type="checkbox"/>	N	A
COGGS	<input checked="" type="checkbox"/>	N	A

BURKE	<input checked="" type="checkbox"/>	N	A
DECKER	<input checked="" type="checkbox"/>	N	A
GEORGE	<input checked="" type="checkbox"/>	N	A
JAUCH	<input checked="" type="checkbox"/>	N	A
WINEKE	<input checked="" type="checkbox"/>	N	A
SHIBILSKI	<input checked="" type="checkbox"/>	N	A
COWLES	<input checked="" type="checkbox"/>	N	A
PANZER	<input checked="" type="checkbox"/>	N	A

AYE 8 NO 7 ABS 1

# HISTORICAL SOCIETY

## Restore Staff Reduction

### Motion:

Move to provide 1.5 GPR positions annually, including 0.5 position for a half-time bibliographic instructor and 1.0 position in the conservation lab.

### Note:

SB 77 would delete \$87,200 GPR and 1.5 GPR positions annually. This motion would restore the position authority, but not the funding amount. The Society could request a line transfer through DOA to fund the salary and fringe benefits associated with these positions during the 1997-99 biennium. As part of standard budget adjustments for the 1999-2001 biennium, the Society would have the full salary and fringe benefits of these positions restored.

[Change to Bill: 1.5 GPR positions]

MO# 1015

JENSEN	Y	<del>N</del>	A
OURADA	Y	<del>N</del>	A
HARSDORF	Y	<del>N</del>	A
ALBERS	Y	<del>N</del>	A
GARD	Y	<del>N</del>	A
KAUFERT	Y	<del>N</del>	A
/ LINTON	<del>Y</del>	N	A
ZCOGGS	<del>Y</del>	N	A

BURKE	<del>Y</del>	N	A
DECKER	<del>Y</del>	N	A
GEORGE	Y	N	<del>A</del>
JAUCH	<del>Y</del>	N	A
WINEKE	<del>Y</del>	N	A
SHIBILSKI	<del>Y</del>	N	A
COWLES	Y	<del>N</del>	A
PANZER	Y	<del>N</del>	A

AYE 7 NO 8 ABS 1

## HISTORICAL SOCIETY

## Historical Grant Program

## Motion:

Move to create a grant program under DOA for projects related to the long-term historical significance of Wisconsin. Create a continuing SEG appropriation and direct that the net proceeds in excess of \$2,700,000 from the sale of sesquicentennial license plates be credited to the appropriation. Specify that the Sesquicentennial Commission and the State Historical Society would be eligible to apply for grants funded from the new appropriation. Require that the Sesquicentennial Commission and the Society submit grant applications to DOA. Require DOA to review the applications and submit recommendations to the Joint Committee on Finance under a 14-day passive review process.

## Note:

Under current law, after deducting the total costs to DOT of designing, producing, promoting and distributing the Wisconsin sesquicentennial license plate, the remaining net proceeds are provided to the Sesquicentennial Commission for general program operations. On April 24, 1997, JFC capped the amount of funding available to the Commission from the sale of sesquicentennial license plates at \$2,700,000.

MO# 1512

1 JENSEN	<input checked="" type="checkbox"/>	N	A
OURADA	<input checked="" type="checkbox"/>	N	A
HARSDORF	<input checked="" type="checkbox"/>	N	A
ALBERS	<input checked="" type="checkbox"/>	N	A
GARD	<input checked="" type="checkbox"/>	N	A
2 KAUFERT	<input checked="" type="checkbox"/>	N	A
LINTON	<input checked="" type="checkbox"/>	N	A
COGGS	<input checked="" type="checkbox"/>	N	A
BURKE	<input checked="" type="checkbox"/>	N	A
DECKER	<input checked="" type="checkbox"/>	N	A
GEORGE	<input checked="" type="checkbox"/>	N	A
JAUCH	<input checked="" type="checkbox"/>	N	A
WINEKE	<input checked="" type="checkbox"/>	N	A
SHIBILSKI	<input checked="" type="checkbox"/>	N	A
COWLES	<input checked="" type="checkbox"/>	N	A
PANZER	<input checked="" type="checkbox"/>	N	A

AYE 15 NO 0 ABS 1

# HISTORICAL SOCIETY

## Restore Unspecified Funding Reduction

### Motion:

Move to provide \$101,200 GPR annually to restore the Governor's recommendation to delete these resources.

### Note:

SB 77 would delete \$101,200 GPR annually for general program operations relating to executive and administrative services as part of the 2% reduction of the Society's base GPR budget. The bill would require the Society to submit a report to the Governor and the Joint Committee on Finance by October 1, 1997, concerning its preference for allocating these reductions among its sum certain GPR appropriations.

[Change to Bill: \$202,400 GPR]

MO# 1507

JENSEN	Y	<del>N</del>	A
OURADA	Y	<del>N</del>	A
HARSDORF	Y	<del>N</del>	A
ALBERS	Y	<del>N</del>	A
GARD	Y	<del>N</del>	A
KAUFERT	Y	<del>N</del>	A
LINTON	<del>Y</del>	N	A
COGGS	<del>Y</del>	N	A

2BURKE	<del>Y</del>	N	A
DECKER	<del>Y</del>	N	A
GEORGE	Y	N	<del>A</del>
JAUCH	<del>Y</del>	N	A
WINEKE	<del>Y</del>	N	A
SHIBILSKI	<del>Y</del>	N	A
COWLES	Y	<del>N</del>	A
PANZER	Y	<del>N</del>	A

AYE 7 NO 8 ABS 1

## **HISTORICAL SOCIETY**

### **LFB Summary Items for Which No Issue Papers Have Been Prepared**

<u>Item #</u>	<u>Title</u>
3	Library Automation
4	Museum Security
10	Federal Revenue Reestimates
12	Research Services Fee for Certain Nonresidents

### **LFB Summary Item to be Addressed in a Subsequent Paper**

<u>Item #</u>	<u>Title</u>
5	Debt Service Reestimate

### **LFB Summary Item for Introduction as Separate Legislation**

<u>Item #</u>	<u>Title</u>
13	1999-2001 Biennial Budget Request